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SPECIAL REPORT: SYNDICATION '88

MARKETING & MEDIA DECISIONS

FEBRUARY 1988 • $4.00

IN THE BAG?

Here comes Trintex, the most advanced PC-based home-shopping service to date. Can IBM, Sears and $300 million succeed where all others have failed?

CIRCULATION: GROWTH VS. COSTS

NEW AGE RADIO

Harry E. Smith, Senior Vice President of Commercial Marketing, Trintex

TRINTEX

MARKETING & MEDIA DECISIONS

COVER STORY

THE KEYBOARD CATALOG 24

After years of development, Trintex, a joint venture from IBM and Sears, takes its first bold step into the marketplace. The PC-based news and home-shopping service is viewed by many as an uncharacteristically risky business for the mega-marketers. But that hasn't stopped some of America's biggest companies from jumping in to test the system.

FEATURES

CUTTING BACK TO STAY IN THE BLACK 35

Magazines that cut their guaranteed circulation still have a lot of explaining to do on Madison Avenue, but agencies are more willing these days to listen. Such reductions offer advantages on both sides of the buy.

RADIO'S NEW-AGE RAGE 45

Is New Age for real? Radio's newest format holds a lot of promise, particularly in the audience it attracts, but everyone is taking an appropriately laid-back approach to the concept.

ETHNOLOGICALLY SPEAKING. . . 51

It sounds intimidating, but the idea behind ethnology is quite simple: By studying a culture first hand, you increase your chances of successfully creating and marketing products to serve its needs and wants.

DECISIONS INDEX 57

The 1987 Editorial Index guides you through last year's features and columns in *Marketing and Media Decisions*. This year, the section pulls out for easy reference.

24

73

SPECIAL REPORT: SYNDICATION '88 73

There's no want of issues to keep syndication's suppliers and customers arguing among themselves. What is missing for agencies, however, are solid numbers with which to approach this year's buying sessions.

PROGRAMING 76

Despite the consolidation among producers, the station marketplace is still being flooded with questionable programing offerings in all dayparts. Buyers beware.

SALES 87

The programing glut is causing buyer concern over likely national clearances of syndicated shows. Sellers are creating new package deals to meet buyer standards.

RESEARCH 95

It's a mess. Average program ratings are down in barter shows, yet barter's share of national viewing is up. That is, if you believe the numbers.

BRAND REPORT 150: HAIR COLORINGS 113

All the sex is in the shades in this lackluster category. The women's, men's and minority segments are profiled, and our Brand Report Index (pg. 122) gives demographics of users, types of products used and a look at purchasers' favored tv program and magazine types.

DEPARTMENTS

PRO FILES 6

Ambrose and Phillips nurture a newborn magazine, *Fathers*, and Larry Lamattina takes a global step up the career ladder.

FREEZE FRAME 10

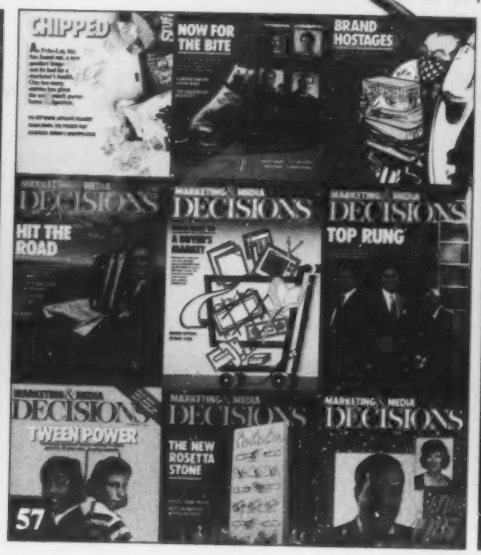
Madison Square Garden's cable service is abloom with merchandising opportunities, and Movietime mounts its advertising offensive.

DIRECT MARKETING 16

Wunderman Worldwide's Tucciarone

February 1988, Vol. 23, No. 2

Cover photograph by Bard Martin, Stylist: Liz Deutsch



outlines the advantages of enhanced data bases, and JC Penney encodes its catalog customers' demographic and psychographic profiles.

PRINT BEAT 17

Time Inc. update . . . Newsprint's wood-pulp alternative . . . *New Family* launch proceeds, with changes . . . A new business combine.

LETTERS 20

A complex analysis of the relationship between a brand's advertising and promotion expenditures and its market share and profit is clarified, and our new-product/line-extension debate generates a comment.

BROADCAST BEAT 111

The overall viewer decline . . . ACT's power play . . . ESPN racked up ratings with the NFL . . . *Nation's Business Today*: the cable show, the magazine, the combined buy . . . *The Popcorn Report* butters up moviegoers.

ECONOMIC EYE 124

One co-op agency predicts the technique will far outpace all other local media in growth in 1988. Also, a magazine-spending update and the Media Cost Index.

ON THE DOCKET 126

California's Proposition 65 is creating troublesome rumbles for advertisers. With this legislation, following federal labeling requirements may not be enough.

LAST WORD 128

When the Big Three tv networks ruled, life was simple for agencies and advertisers. No more. Eugene Secunda considers the rise and fall of network television.

AS THEY SEE IT

MEDIOLOGY *Ed Papazian* 101

People meters' qualitative promise has been buried by the ratings debate.

MAGAZINES *Carol Karasick* 102

Magazine sales team are not always in touch with what agency media people are looking to buy.

MARKETING *Meryl Freeman* 102

How important is brand image? The California raisins offer a dramatic example of what a little image can do.

NEWSPAPERS *Debbie Solomon* 106

The bulk-circulation compromise moves those numbers to page one of the audit sheet but keeps them separate from paid figures..

MARKETING & MEDIA DECISIONS (ISSN0195-4296) February 1988, Vol. 23, No. 2 Copyright © 1988. Decisions Publications Inc. Published monthly. Executive, editorial, circulation and advertising offices at 1140 Ave. of Americas, New York, N.Y. 10036 (212) 391-2155. Available without charge to those personally involved in media decisions at major agencies and advertiser companies. For others, subscription prices are: U.S.A. $48 for 12 issues. Canada $60. Overseas $7[illegible] (surface mail). Airmail — add $70. Single copy $4.00. All overseas copies are paid. Second-class postage paid at New York, New York, and additional mailing offices. Postmaster: Send address changes to Marketing & Media Decisions, 1140 Avenue of Americas, New York, N.Y. 10036.

CLIP AND SAVE

Trimming a magazine's rate base can save ad dollars for agencies and circulation dollars for publishers. But can the magazine's image survive?

by Amy Alson

There's no doubt about it: Magazine publishers are caught between a rock and a hard place.

Magazine circulation costs have risen astronomically in recent years — faster than any other line item expense on the balance sheet. According to the Magazine Publishers of America, combined circulation costs ate up 27.6% of total magazine revenues industrywide in 1986. For the first time, they exceeded production costs, which ranked second at 26.9% of revenues. Only five years ago, those fig-

DAVE FLAHERTY

CIRCULATION COSTS

Totals in $000s, reported 1979-1986; percentages of total magazine revenues, 1979-1986.

Source: Magazine Publishers of America.

O&M's Lanzano takes a case-by-case approach.

Cutting Digest circ was "agonizing," says Gordon.

Some publishers mail monthly, notes Capell.

ures stood at 24.6% for circulation costs versus 32.4% for production.

But these costs are particularly difficult to rein in, because they lie at the heart of their business. The audited number of copies sold on newsstands or by subscription is valued by agency media departments as the best measure of committed readership. A common perception is that health equals growth in audience and paid, audited circulation is a more sound measure of growth than total readership figures, which include pass-along and out-of-home readers.

Today, paid-circulation growth comes at a high price. Snaring subscribers beyond a magazine's natural level inflates circulation costs without adding real value to the advertising buy, publishers say. Those inflated circulation costs inevitably show up in a magazine's advertising page rates.

Some magazines have no choice — the competition in their category demands that they battle it out with plus percentage signs. But others are taking steps to try and work around the problem. *European Travel & Life* is adding controlled circulation to its base, in part to put a lid on reader acquisition costs (see sidebar). Still others are examining what happens to magazines that actually lower their circulations.

Strategic cuts in guaranteed rate bases aren't a new idea; they are common in repositionings and are sometimes used to give a boost to sagging demographics. What may be changing, rather, is agencies' willingness to accept the practice on a wider scale. The prevailing attitude toward such moves remains one of wariness, but print people at agencies no longer automatically assume the worst.

One print specialist who liked to hear that a magazine was cutting the fluff out of its numbers is Doug Hochstadt, former media supervisor at J. Walter Thompson, New York. (At press time, Hochstadt had left JWT to join Clairol as an associate product manager.) "But they have to tell why" and tell it well, Hochstadt cautions. It's incumbent on the publisher to make sure his or her salesforce does a good job of explaining to the advertising community why circulation has been reduced, he says. To appraise such a move, he advises print planners to check immediately to see if the book had been meeting its initial circulation guarantee, and he recommends checking renewal rates to see if the remaining subscribers really want the magazine.

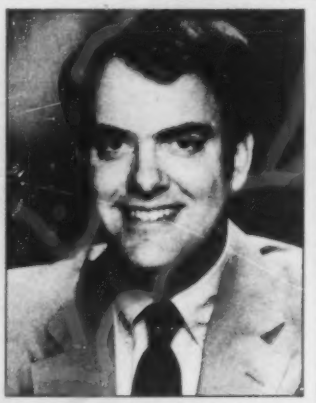
The decision to trim circulation will never be an easy one for publishers. Two years ago, when *Reader's Digest* cut its gargantuan circulation by 8%, or 1.5 million, to 16.25 million, publisher Kenneth Gordon recalls, "We spent months agonizing over it. It was clear that the last 1.5 million readers were not as committed, and they were expensive to keep." He estimates it costs twice as much to attract and hold the less committed readers.

Other publishers have since followed the *Digest*'s lead, though not in droves. *TV Guide* cut its huge rate base substantially six months after the *Digest* did, and several magazines cut back circulation when they initiated redesigns. Among them are *House & Garden*, successfully repositioned in 1983, and, effective with the March issue, *Changing Times*.

David Lehmkuhl, senior vice president and group media director at N W Ayer Inc. in New York, sidesteps his skepticism regarding rate-base cuts and condones *Changing Times*' decision to cut its rate base to 1 million, from 1.3 million, while simultaneously doubling its subscription price to $18. "I can see where it's going. Over the past two or three years, *Changing Times* has tried to change its editorial and graphics to be more hip," says Lehmkuhl, and that has helped lower the median age of its readers to a range more attractive to advertisers. The cut in rate base will help sift out the older subscribers who are dragging down the magazine's demographics, he says.

Yet many publishers fear that media buyers still perceive such cutbacks as a withdrawal from the market in defeat, rather than as good cost management. Their fear is justified.

Among the toughest to convince is Lehmkuhl. *Changing Times* aside, he supports the general perception of rate-base reductions. "I think people do it when they are up against the wall and can't make rate base and nothing else works. It's a last resort." Lehmkuhl



Hearst's Miller looks for a natural limit.

Exceptions aside, Ayer's Lehmkuhl is wary of cuts.

To U.S. News' Harris, the number is less relevant.

adds, "Even if *Time* were to do it . . . the first reaction would be, 'What's wrong?' "

Steve Lanzano, associate media director at Ogilvy & Mather in New York, agrees that a pruned rate base "would make me stop and wonder: Why aren't people reading it any more? The initial reaction will be negative, there's no doubt."

Lanzano does say he takes a case-by-case approach. "If they cut the base and it doesn't affect readership, maybe they just cut out fringe." Yet he remains suspicious and advises publishers, "Don't cut the rate base to save us money if, when you cut back on premiums, your demographics change." Also, he admits, it would take one to two years and two to three waves of syndicated research to convince him that a magazine is meeting a new rate base.

While such attitudes naturally put a chill in the heart of any publisher considering trimming his or her numbers, they can take solace in the fact that the pressure to continually grow may be lessening. Two decades ago, *Life*, *Look* and the *Saturday Evening Post* were under constant pressure to grow, because they depended heavily on ad revenues based on cost per thousand to cover costs.

By contrast, John Veronis, chairman of Veronis, Suhler & Associates, publishing industry financial consultants and financiers, says most magazines' incomes are more balanced today than 20 years ago. Today, readers account for at least half of industry revenues, he says. "The industry is not driven by ad revenues as much so magazines can afford to hold the rate base to a truer level of demand."

Mark Miller, executive vice president and general manager of Hearst Corp.'s magazine division, claims his company doesn't let a magazine's circulation exceed its natural setpoint. "Our philosophy is not to go after every reader available," he says.

In the mid-1970s, Hearst retrenched circulation at several of its magazines. Access to more information about readers through syndicated research enabled the publisher to discover who and how many people really were reading its magazines. "We cut some, grew others, to find [each magazine's opti-

TAKING CONTROL

Can a consumer magazine cut circulation costs, improve demographics and still show dramatic growth? Some are trying by adding controlled circulation to augment their numbers. Agencies, however, are cool to this option.

Controlled circulation are copies mailed free to specified individuals. The Audit Bureau of Circulation reports it as unpaid and requires that publishers qualify controlled readers (provide evidence that these people *want* the magazine) every three years. Most advertisers want controlled readers qualified annually.

"If they can show that it was requested, then it wouldn't bother me," says associate media director Steve Lanzano of Ogilvy & Mather. But he is suspicious of added controlled circulation and would question whether the magazine was meeting its paid rate base. "I'm not sure that cutting fringe readers out of the rate base isn't better as a way to curb circulation costs," Lanzano says.

Most recently, Murdoch Magazines added 100,000 controlled readers to the circulation of *European Travel & Life*, as of the January/February issue. Then publisher Gabriella Neurath assured advertisers that *ET&L*'s control list includes only the most desirable readers. They were selected from the files of Murdoch's *Travel Weekly*, a trade for travel agents, and UCCEL, a hotel reservations system.

But one associate media director with a client that has advertised in *ET&L* for years says, "I'm not happy with it. They raised advertising page rates commensurate with the total circulation increase."

Though long an effective targeting technique in trade publishing, media experts and most publishers doubt that supplemental controlled circulation is an emerging trend as a money-saving strategy on the consumer side. Moreover, they hope it won't gain popularity. Says Lanzano, "If a person pays for a book, they're going to read it. That's the bottom line." ■

mal] level of primary readers with good demographics," Miller says.

Hearst's *Good Housekeeping* was among the first magazines to prove that cutting rate base could work favorably. In the mid '70s, it dropped guaranteed circulation to 5 million from 5.6 million. A source close to the company says that the adjustment in circulation contributed to a resounding financial success: By 1975 *Good Housekeeping*'s net operating profits had soared 900%, to $13.5 million, from $1.5 million in 1973. In 1987 the magazine netted $60 million at the same rate base. From a print buyer's point of view, demographics improved, renewals remained strong and *GH* delivers a sizable bonus circulation beyond its base.

Such bottom-line results are enough to give both agency planner/buyers and publishers pause. Increasingly, buyers will consider *any* strategy that could hopefully save their clients money.

Taking a longer view, Lehmkuhl comments, "Probably many magazines should cut back." One of his own clients happens to be *TV Guide*, and he says that both *TV Guide* and *Reader's Digest* had grown too big to maintain their circulation efficiently, and that their past record-setting cuts in rate base were good for the business.

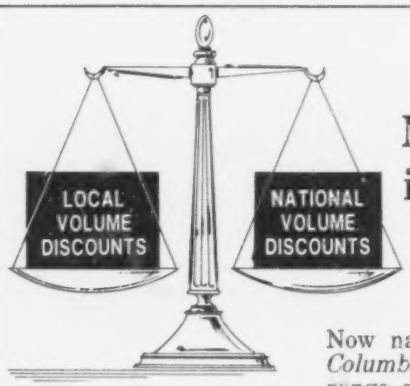
If negative first impressions are daunting to publishers, so is the reality of circulation costs. The average cost of a mailing to solicit subscriptions is $300-$350 per thousand. That average has risen modestly in recent years, about $5 or $10 per thousand annually. The real bad news is that many more mailings are required to sell a subscription, according to Dan Capell, president of Names in the News, a mailing-list supplier.

"There's no question that magazines are mailing to more people and more frequently," Capell says. "It used to be that they'd have mailings in July and December; now it's four times a year, or even monthly."

"For some magazines, the cost of circulation is going up dramatically," says Mark Edmiston, former president of Newsweek Inc. and currently chairman of *The Cable Guide*, a magazine distributed by cable operators to their subscribers. And, as he explains the process, "you have to reach further to get them, so it costs more."

"The cost of selling subscriptions remains relatively stable up to a certain point, and then it mushrooms," says Harry Myers, senior vice president and publisher of *Scientific American*. "But when you come off rate base, you must consider how much advertising you lose as a result." It's not as though people can "only manufacture the bullets that hit targets and not make the ones that miss," Myers says.

Still, to many, it's worth the risk. "I don't think there's anything sacred about a rate base," adds William Harris, executive vice president of *U.S. News & World Report*, which has held its rate base at 2.05 million for years. "It's a much less relevant number now than it used to be." Syndicated research can help publishers identify the committed readers and can guide them in making a cut. As both Harris and Myers say, finding a magazine's most profitable circulation level "is what publishing is all about."



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BRAND REPORT

No. 150: Hair Coloring

GREY MATTERS

by Paula Schnorbus

If you had to choose a shade to sum up the performance for the consumer hair-colorings market in recent years, it would have to be mousy brown.

The approximately $450 million retail category, which posted growth estimates of 1% to 5% in the first six months of 1987, has been dominated for years by the behemoth of Bristol-Myers Co., Clairol, and to a lesser but still significant extent, Cosmair's L'Oréal, leaving any other maker of hair coloring with a single-digit market share — if it is fortunate enough to get more than a fractional slice.

The picture pales even more when

HAIR COLORINGS MEDIA EXPENDITURES JANUARY—SEPTEMBER 1987 (000)

	Media Total	Network Television	Spot Television	Cable TV Networks	Spot Radio*	Magazines	Sunday Magazines	Outdoor
Clairol	28,074.2	16,616.2	1,147.4	430.4	639.0	9,241.2	–	–
L'Oreal	10,996.6	5,362.4	179.3	–	523.9	4,700.3	230.7	–
Combe	3,160.3	1,848.4	217.3	56.2	–	1,038.4	–	–
Carson	467.6	–	152.3	–	173.0	142.3	–	–
Chattem	178.7	–	–	–	114.5	64.2	–	–
Revlon	118.6	–	8.8	–	–	109.8	–	–
Soft Sheen	60.5	–	–	–	–	46.2	–	14.3

*Sources: Leading National Advertisers; *Radio Expenditure Reports. Media Records doesn't report quarterly newspaper expenditures. No network radio figures were reported.*

JOE ISOM

© J. Isom 1988

"Queen" Clairol corners the consumer hair-coloring market.

one considers that the last 20 years haven't been great for hair colorings. No one would be caught dead dying their hair in the 1960s. Then the 1970s actually brought a death scare when the Food & Drug Administration (FDA) called for warning labels on hair-coloring packages and warning posters in salons. The message: An ingredient in permanent hair colorings caused cancer in animals.

The marketers sued the FDA, and the problem was remanded back to the agency to determine the personal risks for users. Nothing has been done by the FDA since then, and a spokesman says, "There are only so many things we can do, and our resources are nonexistent." He believes that some makers have removed the chemical under suspicion, although there isn't any watchdog to check. Still, says Steve Ellwanger, managing editor of *Chain Drug Review*, "There is a hangover because of the chemical scare."

In 1986, a streak of light in the form of streaks made by new temporary or special-effect hair colorings pushed the consumer industry up 9% to $430 million. The products were introduced to appeal to younger people who would hopefully be hooked into buying coloring products at an early age.

Trendy colors were pitched to appeal to a younger person's sense of fun, but a year later, the offbeat colors that appalled parents weren't making the headway marketers had expected. Ken Chochol, health and beauty aids buyer at Pontiac, Mich.-based Perry Drug Stores Inc., points to Colorific's faddish colors and says the product "died a fast death." The market share of Colorific, the Vidal Sassoon gel that offered "bright, bold" colors, was 3.5% in 1986 but by the first half of 1987 had washed out to 0.6%.

In addition, says Vicki Weber, analyst and assistant vice president at Merrill Lynch, temporary color mousses also flunked. "The stuff is really gooey," she explains. "If you get wet, it gets on your clothes."

Zany temporary hair colorings' popularity was in fact temporary.

L'Oréal, maker of the Zazu temporary hair dyes, some of which are zanily colored, had insisted on displaying the product in the cosmetics department of drugstores. But, according to various drugstore buyers, Zazu is currently switching to the hair-colorings section because it didn't fare well in the cosmetics department.

The majority of hair-coloring sales come from chain drug stores, both because consumers are accustomed to purchasing them there and because the outlets give over the amount of space needed to display full color and product lines. Prices range from under $2 for promotion-backed brands to near $15 dollars for complete haircare-and-coloring kits. As the supermarket becomes more and more of a one-stop shopping experience with expanded personal-care departments, some predict they will begin to account for a larger share of hair-coloring sales.

Statistics compiled in spring 1987 by Mediamark Research Inc. show that permanent hair colorings have the greatest use at home by women between the ages of 35 and 54. In addition, MRI reports that women from 18 to 24 use more bleach or lightener, as do single women. Frost, tip and streak kits also are popular in that age group and in the South.

MRI also reports that those who use lots of hair coloring watch lots of television. Newspapers were their second most popular medium. Magazines came in third, just over the average. (See "Brand Report Index," pg. 129.) LNA shows ad dollars are concentrated in tv and magazines among its measured media, but Media Records reports no ad dollars for the featured product lines were invested in newspapers in 1986.

Ads focus their message on three product attributes: improving appearance, covering grey hair and boosting a woman's self-image. The majority of ads are aimed at the mid-30s to early-

40s woman, though MTV-like spots celebrate the newer, jazzier products, and the older end of the market also is addressed.

The MRI stats also show that black women use more permanent colorings, bleach and lightener. Rocky Piccirillo, vice president, of Beauty Enterprises, a Stamford, Conn.-based distributor of black beauty products, says black hair-coloring products account for a small percentage of the ethnic beauty products business, but the category is growing. At the end of last year, Carson Products' Dark & Lovely had a 70% share of the black hair-coloring products market, Soft Sheen's Color Accents had 15% and Revlon's Creme of Nature was at 5%.

Revlon's position comes despite a problem unique to that company. In 1986, Irving Bottner, president of Revlon Professional Products Group, reportedly commented to *Newsweek* that black companies in health and beauty aids would succumb to white companies and sell off their holdings. Black-owned companies historically have been smaller and lacked the distribution muscle of many white-owned companies.

In response to Bottner's comment, Jesse Jackson's People United to Save Humanity organized a boycott against Revlon products. One knowledgeable source says, however, that brand loyalty is high among blacks, and sales have even risen in some of Revlon's black beauty products.

Men have been brand loyal to Combe Inc.'s Grecian Formula 16. In 1986, according to Packaged Facts Inc., the gradual way to wash away the grey had almost three quarters of the men's hair-coloring market at 72%. However, men who wanted to wash that grey right out of their hair were able to do so last July with a new entry from Combe called Just for Men, a shampoo-in product. According to MRI, 7.5% of men color their hair, and usage of permanent and temporary dye extends from men aged 35 to 64. Household incomes, which seem to have nothing to do with hair-coloring usage, range from $15,000 to more than $50,000 a year. More married men who are employed full time dye their hair, backing a Combe survey that says men color their hair for socioeconomic and family related reasons.

Victoria Wurdinger, senior editor of *American Salon*, says salon coloring for men was growing at about a 5% rate last year to approximately $133 million, but men are more inclined to color their hair at home "instead of in front of 10 people."

While the home hair-coloring market for women moves along slowly, baby boomers helped push women's professional salon coloring services to $3 billion last year, up nearly 9% from 1986. Pamela Bobit, editor of *Salon Trends*, adds that "Baby boomers never thought they would grow up. They will be coloring their hair when they're 90," she says. "Coloring their hair is like brushing their teeth, but they won't risk looking like a jerk" by dying their hair themselves.

Revlon maintains a small black market share despite a boycott.

The only market-share figures available for consumer hair colorings were supplied by Merrill Lynch, using Towne-Oller & Associates' data. Shares are based on shipments from warehouses to supermarkets and show that, for the first six months of 1987, Clairol had a whopping 67.6% share; L'Oréal had 25.8%; Revlon, 3.4%; and Chattem Inc.'s Sun-In, 2%.

Bristol-Myers

It's a wonder Clairol never called one of its products "Queen Clairol," considering the company is not so far away from cornering three quarters of the hair-coloring market.

The process began more than 50 years ago when Clairol introduced its first salon coloring product with the deceptive name, "Instant Clairol Oil Shampoo Tint." Clairol was able to change a person's hair color, and it also changed the image of hair dying from raunchy to respectable. For 20 years, Clairol sold strictly to salons, but in the 1950s, the company decided to launch Miss Clairol in the retail market.

Miss Clairol, the first one-step permanent hair coloring, continues to be Clairol's flagship. The recently repackaged brand is increasing its advertising schedule this month and next to support a free curling-iron promotion. The promotion is being announced next month in free-standing inserts in Sunday newspapers. Couponing will be used as well as the usual day and nighttime tv advertising.

Clairol has developed dozens of different coloring products for both white and black women and even men. The various strengths range from permanent to temporary, and brands include Loving Care, Nice 'n Easy, Summer Blonde, Clairesse, Born Blonde, Pazazz and Ultress, many of which have line extensions. The latest are Pazazz Sheer Haircolor Wash and Ultress' burgundy shades which ("a fashion accessory"), obviously haven't been pushed by the yellow-haired actress and Ultress pitchwoman Linda Evans. A Clairol spokeswoman explains that Ultress is a more upscale product, sophisticated in its packaging and advertising. Even the gel formula is said to be "very rich" when it is mixed, meaning it doesn't drip.

The Pazazz line, described as "young, fun [and] temporary," made its debut in April 1986 with Pazazz Gel and Mousse. Clairol's first venture into that market found the company setting up portable video units near store hair-coloring displays. The video depicted hair styles based on rock stars. A spokeswoman says the company "knew (the campaign) had to be image driven." There were also video club nights where Clairol threw Pazazz hair-coloring parties. Clairol also promoted the product through the MTV Music College tour, going into student unions and styling hair for free. This year, Pazazz joins

the MTV Museum of Unnatural History Tour.

Pazazz's line extension that debuted in August, Pazazz Sheer Color Wash, is being promoted with teaser book samples of the Loveswept series of Bantam Books. The strategy, says a Clairol spokeswoman, is to return to romance, "changing your hair as you change your mood." Three ficticious sisters are featured in the books to represent three different Pazazz colors. The target audience for the new products is the 15-to-24 age group.

But women with grey hair make up the biggest part of Clairol's market, and the company likes to report that baby boomers are greying. Loving Care, which simply covers the grey without changing hair color, adopted a new ad theme at the end of 1987, "Grey hair or Loving Care? . . . The choice is yours." To kick off the campaign, Clairol offered Cadillacs to match the winner's hair color and $500 wardrobes. The Choice is Yours contest will be advertised in free-standing inserts in Sunday newspapers next month.

Clairol is famous for its memorable ad copy, such as "The closer he gets, the better you look"; "It lets me be me"; "You're not getting older, you're getting better"; and the question that started Clairol's consumer ad campaign, "Does she. . .or doesn't she?"

Clairol's media plan generally consists of 30-second tv spots and ads in women's service and beauty and fashion magazines. LNA reports that for the first nine months of 1987, about $27.4 million was spent on advertising, the bulk of which was in network tv. About $639,000 was spent on spot radio, according to Radio Expenditure Reports. Grey, DDB Needham and Gleckler & Co. are Clairol's agencies.

L'Oréal

L'Oréal would like to be the most expensive hair coloring on the market. "At L'Oréal, we believe that a way to communicate top quality is through pricing," says Helen Mukhtar, director of marketing for hair color. This is reflected in the advertising over the years, which has featured a gorgeous woman saying it was okay to spend the extra money on L'Oréal, "because I'm worth it."

The target woman is "always looking for something a little bit special," explains Mukhtar. Of course, such a woman would feel comfortable with the L'Oréal image, which is more sophisticated or glamorous, says Mukhtar. Cybill Shepherd has been the spokeswoman for Preference, the flagship brand, for nearly two years.

Preference is getting some new shades of "warm and pink blondes" and also a black shade, which is a "true fashion statement," reveals Mukhtar. These will be promoted in print advertising in late spring or early summer. A promotional tool L'Oréal has been using is a cosmetic gift with a purchase of Preference. A foundation makeup was given away last year, while mascara was in the package a year earlier.

L'Oréal wants to have the most expensive hair coloring.

Mukhtar says about $13 million was spent on advertising Preference last year. Temporary hair coloring Avantage had $2.5 million in print ad expenditures. Zazu, another temporary color, was launched with a $2 million print campaign, and the Brush-on highlighting debuted in a $3 million print and tv campaign. Nothing was spent on the Brush-on products in 1987, and Steve Ellwanger of *Chain Drug Review* warns the product "laid one big egg." Mukhtar concludes that L'Oréal spent about $18 million last year on its advertising of hair colorings, with a similar budget for 1988.

About 70% of L'Oréal's advertising is on prime-time tv, with 30- and 15-second spots on shows including *Moonlighting* (the Shepherd vehicle), *Family Ties* (featuring former spokeswoman Meredith Baxter Birney) and *Dallas*. The other 30% of ads are in women's service magazines and beauty books. Newspapers are used on a co-op basis with retailers. Neither radio nor outdoor advertising are used. McCann-Erickson is the agency.

L'Oréal's Preference is shepherded by Cybill.

Revlon

Revlon has a market share that doesn't quite reach 4%, even when taking into consideration the Roux product line acquired several years ago.

The over 50-year-old Roux has a more than 25-year-old product line called Fanci-Full, which runs the gamut from a rinse targeted to older women to enhance their grey hair to Color Splash gel, which skews "very young," says Lowell Harper, director of marketing, retail division, Professional Products Group.

Of Color Splash, Harper says, "We're not so happy with it. It's dif-

ficult to get people to use colors." He notes, however, in the product's defense, that the colors aren't "all wild." They also have burgundy, copper and gold. "If worse comes to worse, we'll stick with the standard colors," he says. "It's not an easy marketing job, pushing a button that hasn't been pushed."

A new Fanci-Full product, X-tra Body, has been introduced. The temporary hair-coloring product is skewing a 35- to 45-year-old audience with limp, greying hair. Following target marketing of X-tra Body for the first half of 1988 in books such as *Cosmopolitan, Ladies' Home Journal* and *Harper's Bazaar*, there will be line marketing of the Fanci-Full brand.

Harper says a television test was done on the West Coast for Fanci-Full Color Styling Mousse, which skews younger, but the results "weren't as strong as we'd like."

He admits that "while we're not setting fire in the hair-color world, we're giving a different standard. People are daily people. They seem to like to put hair color on fresh. I think this will be a growing trend."

Regarding tv advertising, Harper bemoans its expense and questions the credibility of pitching a hair coloring in a 30-second commercial. "Perhaps a Clairol has built up an understanding in a commercial. Our product really needs a good, devoted period of time to explain," he says.

Revlon does sampling with two-ounce bottles in drugstores once or twice a year. They also have $2 rebates, and there will be a 50-cent coupon in magazines for Fanci-Full X-tra Body.

Harper says Revlon has been "searching and searching and searching" for an ad agency. Now they have two creative groups "that remain nameless" and in-house advertising. Merchandising Workshop, a sales promotion agency, also is used. The ad budget ranges from $2 million to $5 million.

Revlon introduced Creme of Nature, a permanent hair color for black women, in 1986. The product is geared to women 18 and older and is advertised in black magazines and newspapers and black-oriented radio stations. Outdoor and tv advertising aren't used. The product was introduced with full-cash rebates, and a spokesman says Revlon is planning on running coupons in newspapers and at point of sale. There also will be cash rebates. Merchandising Workshop handles the advertising.

When you're under 25
you want to be discovered.
When you're over 40
you want to be rediscovered.
Now Fanci-full temporary haircolor will let
the world discover you.
fanci-full

Fanci-Full has some fairly fanciful-looking colors.

Chattem Inc.

Sun-In, the Chattem product with the seemingly deceptive name — you don't need the sun to lighten your hair after you spray it on, you just need a blow dryer — recently repositioned itself. Chucking the generically named "regular" strength product, Sun-In now has new category extensions with more descriptive names, such as "Gentle Highlights" and "Natural Lemon Sun-in."

The "gentle" Sun-In is a come-on to younger, first-time users. The "natural lemon" is designed to hook the more reluctant potential user. Super Sun-In hasn't been lost in the repositioning and is still there for "someone who is older and wants more dramatic highlights," says Ron Galante, brand director, toiletries, at Chattem. "There is a lot of young usage, going from 12 to 34 and beyond," Galante says of the approximately 20-year-old Sun-In. "It's typically a younger product. Hair coloring is typically older, but you can't say it's only older. Sun-In is used long before greying."

As part of the repositioning, Chattem offered a Sun-In lightener spray-on brush for $1.50 with any purchase of Sun-In. The brush has a hollow handle with a spray pump for spritzing at the beach.

At press time, Galante was cagey about how the repositioning would be supported, but he said that in the past, Sun-In was advertised in teen and beauty and fashion magazines as well as radio and tv, "just about every media vehicle there is, including outdoor." The ad expenditures go up to about $1 million, most of which is spent in the spring and summer months, Galante reports.

Advertising is currently produced in-house with outside consultants.

Combe Inc.

Grecian Formula 16 has been letting men grow younger gracefully for 27 years with its gradual hair-coloring formula. Last summer, sensing that men were getting more daring, Just for Men, a shampoo-in hair color to quickly blend away the grey, was introduced.

Dominic De Main, vice president, group marketing director, explains that the product was introduced with the awareness that men have been looking for faster methods of dying their hair. Women's coloring products, also used by men, have to stay on the hair for 25 to 40 minutes.

Combe kicked off the introduction by releasing a survey of 1,000 middle-aged men, "an overwhelming 74%" of which agreed with a statement, "I feel that my image is important to my

Men gradually dye their hair with Grecian Formula 16.

success." So in addition to the usual advertising vehicles used, Combe had a "strong campaign where the company decided what story would be most interesting to consumers and the press." Says a spokeswoman, "The press likes surveys." The results were presented to 300 reporters at a gathering of the Men's Fashion Association last June. Combe also does makeovers for men. De Main points out that the rate of trial for Combe's coloring products is very heavy among younger men, but there is greater usage among men over 50.

The media plan is about the same for Grecian Formula 16 and Just for Men. Tv advertising is king, done in 15-, 30- and 60-second spots. Tv spots are run on news, sports and prime-time tv to match Combe's target audience of men 35 and older, or men with grey hair, but pitching to ethnic groups isn't done. A print effort started in recent years, and ads have appeared in *Sports Afield, 50 Plus, Reader's Digest, GQ* and *Playboy*. Radio is being tested. Advertising is done in-house.

LNA reported that for the first nine months of 1987, Combe spent about $3.2 million on both product lines.

Carson Products Inc.

Carson Products' Dark & Lovely has the corner on the black hair-coloring segment. Introduced in 1971 with three permanent shades, Kenneth D. Hall, vice president, marketing, says the product wasn't successful at the time, because the hairstyles on the package weren't current. Four years later, two more shades debuted in new packaging that had a more modern approach. The various hair colors were shown on women in clothing ranging from casual to business attire to project what one would wear with the new hair coloring, explains Hall.

Now up to nine shades, Dark & Lovely is advertised mostly in tv and magazines, such as *Ebony, Essence and Black Sophisticates*. Tv spots, which are selected with information from Black Arbitron, are directed at women age 18 to 49. Hall admits that men also are using Dark & Lovely. Carson Products had looked at a potential "Dark & Handsome" product, but the company is currently concentrating on black women.

"The general trend for black women in the last couple of years has been to use more hair color and not to wait until they turn grey," explains Hall. "They use it like white women, like a fashion thing. After she has the baby, she wants to buy new clothes and change her hair color."

Carson does some in-store promotions and clinics where shoppers may participate in a hair-coloring makeover. Radio and newspaper advertising is done on a co-op basis with retailers. Lockhart & Pettus, New York, has done the creative for 13 years and was also instrumental in redesigning the packaging, says Hall.

Soft Sheen Products

Soft Sheen's Color Accents have been out for about two years. The temporary hair color rinses out after six shampoos.

Because women may want to be with friends the first time they try Color Accents, Soft Sheen recently did a "double-up" promo where two kit boxes were wrapped together and sold at a discount price. There also was a sweepstake, with a grand prize of gold necklaces with gemstones that matched the four shades of Color Accents.

Black-owned Soft Sheen markets temporary hair colorings.

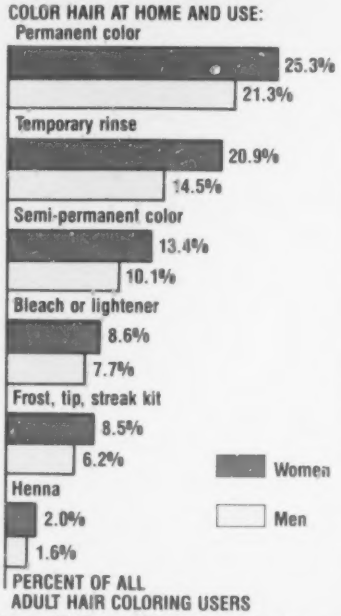
The target market of black women 18 to 45 is reached through magazines, including *Essence* and *Black Hair*. An 800 number is featured for women to find out where to buy the products. Magazines account for 60% of the advertising, while radio makes up most of the other 40%, says Patricia Caldwell, assistant marketing manager, new products division. Billboards, currently just in Chicago, are used as well as co-op advertising in newspapers. Brainstorm Communications, Chicago, is the agency. ■

BRAND REPORT INDEX

HAIR COLORINGS

How to read: An index is a ratio used to indicate the direction and amount of difference from the average. The index of the average is, by definition, 100. Thus, an index of 112 reflects a 12% above-average incidence. An index of 89 indicates an 11% below-average incidence.

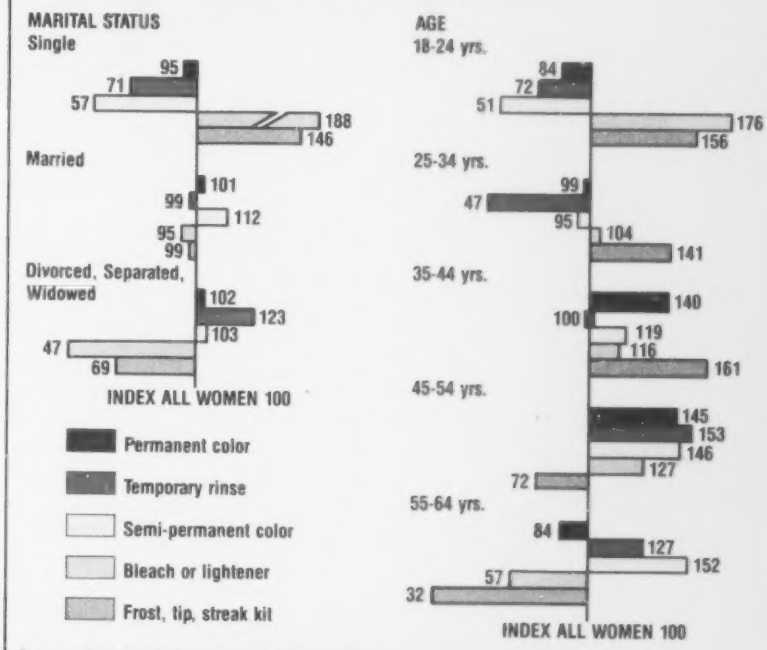
TYPES OF HAIR COLORING PRODUCTS Used at Home In Last Six Months Among Men and Women



Source: Mediamark Research Inc., Spring 1987.

WOMEN'S KEY DEMOGRAPHICS

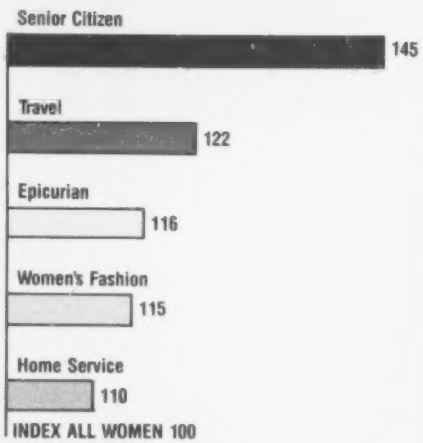
Usage of Hair Coloring Products at Home in Last 6 Months



Source: Mediamark Research Inc., Spring 1987.

FAVORED MAGAZINE CATEGORIES

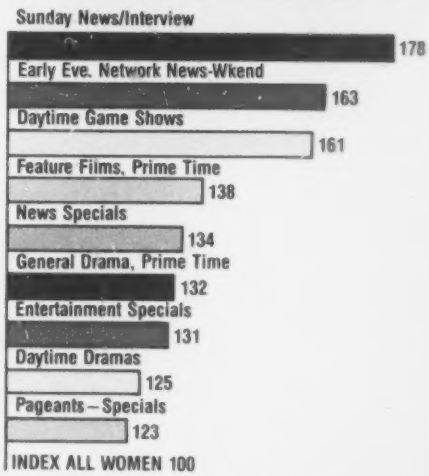
Among Heavy Users of Hair Coloring Products



Source: Mediamark Research Inc., Spring 1987.

FAVORED TV PROGRAM CATEGORIES

Among Heavy Users of Hair Coloring Products



Source: Mediamark Research Inc., Spring 1987.

ECONOMIC EYE

A CALL ON CO-OP

Arnold Ferber, president of Pinpoint Marketing, a major co-op firm, predicts co-op dollars will reach $8.88 billion in 1988, a jump of 11% vs. 8.9% for all other local media. One basis of his call: The number of published co-op programs has jumped from 3,500 in 1985 to an anticipated 5,000 this year.

MAGAZINE AD SCORECARD

	Ad Pages Dec. 1987	% change from Dec. 1986	Dollars spent (000)	% change from Dec. 1986
1. Skin Care, Creams, Lotions and Oils	104.93	−30.1%	$ 4,262.8	−24.1%
2. Lip and Eye Beauty Products	61.34	+116.5	2,320.3	+169.5
3. Scents and Fragrances	378.08	+21.5	11,928.9	+25.9
4. Facial Makeup Products	47.26	−20.6	1,652.8	−16.6
5. Prepared Dinners and Entrees (including Pizza)	21.37	−14.2	1,872.7	+11.1
6. Liquor	762.17	−1.3	30,217.2	+2.0
7. Cigarettes	507.04	−8.4	25,024.6	−11.5
8. Soaps and Detergents	52.17	−19.0	3,542.9	−18.0
9. Passenger Cars, Domestic	441.82	+3.4	22,870.9	+.3
10. Passenger Cars, Imported	669.18	+28.9	27,691.0	+22.7

Source: Publishers Information Bureau as prepared by Leading National Advertisers

MEDIA COST INDEX

1985 = 100

1987

	Mar.	% change	Apr.	% change	May	% change	June	% change	July	% change	Aug.	% change	Sept.	% change	Oct.	% change
Network TV																
Daytime	88	−8	92	−6	92	−6	95	−1	98	−5	85	−11	83	−11	97	−6
Nighttime	112	+7	99	+8	110	+6	112	+3	109	+2	113	+5	106	−0	110	+6
Spot TV																
Prime time	131	+13	134	+16	136	+14	130	+9	138	+10	126	+4	124	+18	–	–
Daytime	108	−0	116	+11	118	+8	104	−1	108	−4	117	+7	102	+3	–	–
Network radio	126	+11	116	+4	116	+2	114	−1	102	−0	104	−1	106	+2	122	+6
Spot radio					98	+3					103	+1			–	–
Consumer magazines	110	+4	109	+3	109	+3	109	+3	109	+3	109	+3	109	+3	109	+3
Natl. Sunday mags	103	+11	103	+11	103	+11	103	+7	103	+7	113	+7	118	+14	106	+12
Business publications	111	+5	111	+5	111	+5	111	+5	111	+5	111	+5	111	+4	112	+5
Newspapers	116	+8	116	+8	116	+8	116	+7	115	+7	115	+7	115	+7	115	+6
Outdoor	111	+6	114	+6	114	+6	114	+6	114	+6	114	+6	114	+6	118	+12

Notes: Percentage shown is relative change from the same month/period the year before.

1985 = 100

Sources:

Nighttime Network TV—Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service.

Daytime Network TV—Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service.

Network Radio—Cost per average 30-second radio announcement from BAR's Network Radio Service.

Consumer Magazines estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn.

National Sunday Mags estimate based on published (rate cards) costs of a page, four-color in the national entries.

Daily Newspapers estimate based on Newspaper Advertising Bureau report of SRDS costs per column inch of a sample of 784 newspapers weighted to represent the universe.

Outdoor Posters based on estimate prepared by Institute of Outdoor Advertising.

Spot Radio index represents cost of a 60-second spot in the top 100 markets from data supplied to Radio Expenditure Reports by major radio representatives.

Business Publications estimate based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications.